

PART II - CODE OF ORDINANCES

Chapter 19 - TAXATION

ARTICLE I. IN GENERAL

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**Sec. 19-1. Tax abatement program for new and existing businesses—Personal property improvements for manufacturing use.**

- (a) The provisions of this section shall only apply if the personal property improvements are for manufacturing use.
  - (1) Such tax abatement plan shall in no event exceed seven years in length;
  - (2) If said corporation or business meets the conditions listed in subsection (b), the Town of North Stonington will be willing to enter into a seven-year tax abatement plan with such corporation or business, such that personal property taxes on the increase on the gross taxable assessment from improvements to personal property will be abated by:
    - a. 70 percent in the first year;
    - b. 60 percent in the second year;
    - c. 50 percent in the third year;
    - d. 40 percent in the fourth year;
    - e. 30 percent in the fifth year;
    - f. 20 percent in the sixth year;
    - g. 10 percent in the final year;
- (c) Policy #2: If a party is willing to locate a quality manufacturing use on property in the Town of North Stonington, or to improve such existing facilities located on property in the Town of North Stonington, and in either event the personal property improvement increase the gross taxable assessment of its personal property from these improvements by an amount equal to or greater than \$500,000.00 then the Town of North Stonington is willing to offer the following tax abatement incentives to such corporations or businesses:
  - (1) Such tax abatement plan shall in no event exceed two years in length;
  - (2) If said corporation or business meets the conditions listed in subsection (c), the Town of North Stonington will be willing to enter into such a two-year tax abatement plan with such corporation or business, such that personal property taxes on the increase in gross taxable assessment from improvements to personal property will be abated by:
    - a. 70 percent in the first year;
    - b. 30 percent in the second year;
- (d) The following provisions shall apply to the above stated policies.

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- (1) There shall be no abatement of taxation on any real property owned by said corporation or business; under this section.
- (2) In the event, however, that such corporation or business, within ten years after entering into such a tax abatement agreement with the Town of North Stonington:
  - a. Substantially reduces its operations on its real property in the Town of North Stonington;
  - b. Attempts to assign its rights under this agreement; or
  - c. Sells or otherwise transfers the personal property, said corporation or business shall rebate to the Town of North Stonington a portion of the tax savings realized under the agreement, in accordance with the following schedule:
    1. On or before the fifth anniversary: 100 percent;
    2. On or before the sixth anniversary: 90 percent;
    3. On or before the seventh anniversary: 80 percent;
    4. On or before the eighth anniversary: 70 percent;
    5. On or before the ninth anniversary: 60 percent;
    6. On or before the tenth anniversary: 50 percent;
- (3) All tax abatement agreements entered into pursuant to this section shall:
  - a. Comply with all Connecticut State laws and statutes; and
  - b. Be reduced to a written agreement; the terms of which shall be agreed upon by the corporation or business and the Town of North Stonington, and by an affirmative vote of the Board of Selectmen and by an affirmative vote of the legislative body.

(Ord. of 2-7-2005)

#### **Sec. 19-2. Tax abatement program for new and existing businesses—Improvements for manufacturing, office or information technology uses.**

- (a) The provisions of this section shall only apply if the improvements are for at least one of the following:
  - (1) For manufacturing use;
  - (2) For office use; or
  - (3) For information technology.
- (b) Policy #1: If a party is willing to locate a quality manufacturing use, office use, or information technology use on property in the Town of North Stonington, or to improve such existing facilities located on property in the Town of North Stonington, and in either event (new construction or improvement of existing facilities) is willing to engage in construction or improvements and if this new construction or these improvements increase the gross taxable assessment of its real property from these improvements by an equal amount to or greater than \$500,000.00, then the Town of North Stonington is willing to offer the following tax abatement incentives to such corporations and businesses:
  - (1) Such tax abatement plan shall in no event exceed two years in length;
  - (2) If said corporation or business meets the conditions listed in subsection (b), the Town of North Stonington will be willing to enter into a two-year tax abatement plan with such corporation or

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business, such that real estate taxes on the increase on the gross taxable assessment from improvements to real property will be abated by:

- a. 70 percent in the first year;
  - b. 30 percent in the second year;
- (c) Policy #2: If a party is willing to locate a quality manufacturing use, office use, or information technology use on property in the Town of North Stonington, or to improve such existing facilities located on property in the Town of North Stonington, and in either event (new construction or improvement of existing facilities) is willing to engage in construction or improvements and if this new construction or these improvements increase the gross taxable assessment of its real property from these improvements by an amount equal to or greater than \$3,000,000.00 then the Town of North Stonington is willing to offer the following tax abatement incentives to such corporations or businesses:
- (1) Such tax abatement plan shall in no event exceed seven years in length;
  - (2) If said corporation or business meets the conditions listed in subsection (c), the Town of North Stonington will be willing to enter into such a seven-year tax abatement plan with such corporation or business, such that real estate taxes on the increase in gross taxable assessment from improvements to real property will be abated by:
    - a. 70 percent in the first year;
    - b. 60 percent in the second year;
    - c. 50 percent in the third year;
    - d. 40 percent in the fourth year;
    - e. 30 percent in the fifth year;
    - f. 20 percent in the sixth year;
    - g. 10 percent in the final year.
- (d) The following provisions shall apply to the above stated policies.
- (1) There shall be no abatement of taxation on any personal property owned by said corporation or business under this section.
  - (2) In the event, however, that such corporation or business, within ten years after entering into such a tax abatement agreement with the Town of North Stonington:
    - a. Substantially reduces its operations on its real property in the Town of North Stonington;
    - b. Attempts to assign its rights under this agreement; or
    - c. Sells or otherwise transfers the real estate, said corporation or business shall rebate to the Town of North Stonington a portion of the Tax Savings realized under the agreement, in accordance with the following schedule:
      1. On or before the fifth anniversary: 100 percent;
      2. On or before the sixth anniversary: 90 percent;
      3. On or before the seventh anniversary: 80 percent;
      4. On or before the eighth anniversary: 70 percent;
      5. On or before the ninth anniversary: 60 percent;
      6. On or before the tenth anniversary: 50 percent;

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(3) All tax abatement agreements entered into pursuant to this section shall:

- a. Comply with all Connecticut State laws and statutes; and
- b. Be reduced to a written agreement; the terms of which shall be agreed upon by the corporation or business and the Town of North Stonington, and by an affirmative vote of the Board of Selectmen and by an affirmative vote of the legislative body.

(Ord. of 2-7-2005)

**Secs. 19-3—19-18. Reserved.**